

Department of Justice

FOR IMMEDIATE RELEASE FRIDAY, JANUARY 4, 2002 WWW.USDOJ.GOV AT (202) 514-2007 TDD (202) 514-1888

CHARLES A. JAMES ANNOUNCES MODERNIZATION OF THE ANTITRUST DIVISION

Changes Intended to Re-Deploy Resources to More Effectively Respond to the Emergence of New Industries and Challenges in Complex Business Environment

WASHINGTON, D.C. – Assistant Attorney General Charles A. James today announced a modernization of the Antitrust Division that creates a structure to address new industries, network competition, and other emerging trends in the economy. The purpose of this effort is to deploy Division resources in a manner that responds to an increasingly complex business environment by redefining areas of responsibility and streamlining reporting lines, in order to improve the overall efficiency of the Division. It also transforms certain task forces into full-fledged sections.

Currently, multiple sections tend to share enforcement responsibilities for certain commodities. The modernization plan is designed to concentrate investigatory and enforcement expertise and resources for commodities within a particular section, and minimize the dispersion of enforcement efforts across sections. This effort also assigns to each section enforcement responsibility for both civil merger and non-merger matters. This reflects the actual practice of most sections, which although nominally assigned responsibility for either civil merger or non-merger investigations, have for some time handled both types of matters.

The modernization effort also recognizes the emergence and future importance of certain areas of the economy--including information technology, telecommunications and industries

characterized by network competition--and the need for concentrated, focused expertise in these industries. This plan will improve the Division's ability to effectively marshal and deploy its resources and expertise in investigating and enforcing the antitrust laws in these as well as all other areas.

"The modernization is good government," said Assistant Attorney General Charles A.

James. "It positions the Antitrust Division to address the challenges of the New Economy in the 21st Century while strengthening enforcement capability in traditional industries."

While the restructuring effort in large measure confirms the Division's present structure, it will result in some significant organizational and programmatic changes. Elements of the plan include the following:

- The current Litigation I Section will be renamed "National Criminal Enforcement Section," preserving for the Division a Washington criminal enforcement presence with nationwide responsibility.
- The Litigation II Section, which presently exists as an informal merger of Litigation II Section and the Merger Task Force, will be divided into two separate civil enforcement sections called Litigation I Section and Litigation II Section. The Civil Task Force will be renamed "Litigation III Section." Each of these sections will be responsible for the full range of civil enforcement--including merger and non-merger matters--in their assigned commodities. These changes are intended to balance the merger workload while ensuring a continued focus on non-merger matters.
- The Telecommunications Task Force will become a permanent section entitled "Telecommunications and Media Enforcement Section" to more accurately reflect that in this era of technology convergence this section's work extends beyond telecommunications and to reflect the permanent need for a section that concentrates on these industries.
- The current Computers and Finance Section will be strengthened and renamed the "Networks and Technology Enforcement Section." This change responds to the emergence and future importance of these areas of the economy by improving the Division's ability to focus on increasingly sophisticated high technology, networking, and intellectual property issues.
- The Division will no longer have a separate entity denominated "Health Care Task Force." Rather, the personnel and functions of the Health Care Task Force will be consolidated

with other sections. For example, the new Networks and Technology Section will be well positioned to address the network aspects of this important economic sector.

• Each of the Division's five Deputy Assistant Attorneys General has oversight of a specific major program area, which include Civil Enforcement, Regulatory Matters, Criminal Enforcement, Economic Analysis, and International Enforcement.

"The modernization effort announced today affords us the opportunity to clarify areas of responsibility, sharpen lines of reporting, increase accountability and ultimately improve efficiency and productivity in carrying out the Division's mission," said James.

Both the House and Senate appropriations subcommittees have authorized this modernization effort, which, consistent with Department of Justice policy, required Office of Management and Budget and Congressional notification prior to implementation.

The Division expects that the reorganization will be fully implemented in February 2002.

A copy of the Division's new organization chart will be available on the Division's web site at

www.usdoj.gov/atr

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